

**TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION,
IOWA[751]**

Notice of Intended Action

**Proposing rule making related to sole-source agreements and providing an opportunity for
public comment**

The Iowa Telecommunications and Technology Commission hereby proposes to amend Chapter 5, “Purchasing,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 8D.3.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 8D.11 and 8D.13.

Purpose and Summary

This rule making will increase the Commission’s oversight and accountability of potential sole-source agreements being considered by the Iowa Communications Network. Specifically, the rule making would accomplish two things: (1) eliminate a general and overly broad justification for a sole-source agreement, and (2) require that any sole-source justification form be approved and signed by both the Executive Director and the Chief Financial Officer.

Fiscal Impact

The Commission is unable to determine the number of potential agreements this rule making will impact and is therefore unable to determine if there will be any fiscal impact.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 751—Chapter 9.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Commission no later than 4:30 p.m. on May 29, 2018. Comments should be directed to:

Mark Johnson
Iowa Telecommunications and Technology Commission
Grimes State Office Building
400 East 14th Street
Des Moines, Iowa 50319
Phone: 515.725.4608
Email: mark.johnson@iowa.gov

Public Hearing

June 4, 2018
11 a.m. to 12 noon

Executive Director's Conference Room
First Floor
Grimes State Office Building
Des Moines, Iowa

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend paragraphs **5.1(2)“g”** and **“h”** as follows:

g. The item is maintenance services for the network for which the vendor supplies remote maintenance service for network components or software or the vendor supplies software upgrades, patches, modifications or the like electronically or for which the service will preserve equipment or software warranties; ~~or.~~

~~h. The executive director or the commission's designee determines that the best interests of the commission will be served by exemption from the bidding process.~~

ITEM 2. Amend subrule 5.1(3) as follows:

5.1(3) When the annual value of the contract exceeds \$5,000 or when the estimated value of the multiyear contract in the aggregate, including renewals, is equal to or greater than \$15,000, the commission shall complete a sole-source justification form. ~~The executive director or the executive director's designee shall sign the sole-source justification form~~ The sole-source justification form shall be reviewed, approved and signed by both the executive director and the chief financial officer before the commission proceeds with the sole-source procurement.